



Marijuana In Grand Rapids

Development Center Lunch & Learn

September 17, 2019



Agenda

1. Overview of cannabis
2. Overview of State (and federal) laws
3. Grand Rapids actions 2008-present
4. Summary/Q&A



Cannabis 101

- Cannabis is a plant: *Cannabis sativa* (L.)
- Major varieties: sativa, indica, ruderalis
- Chemicals in trichomes
 - THC (tetrahydrocannabinol) – psychoactive
 - CBD (cannabidiol) – medicinal
 - Other cannabinoids – 16 major, 100+ total
 - Terpenes/terpenoids: over 120
- “Entourage effect”
- Industrial hemp
 - Oils, fiber, paper, rope, building materials
 - Less than 0.3% THC



Cannabis 101

- Endocannabinoid system
- Naturally occurring receptors in humans
 - CB1 central & peripheral nervous system
 - CB2 gastrointestinal, some nervous
- Forms
 - Marijuana (herbal, cf. hemp)
 - Kief (powder)
 - Hashish (resin)
 - Tinctures
 - Hash oil (“dab”, “shatter”)
 - Infusions



Marijuana Laws in Michigan

Three major laws to know about:

- Michigan Medical Marijuana Act (MMMA; 2008)
 - Legalized use & patient/caregiver model for medical
 - Cities cannot regulate (2018 court decision)
- Medical Marijuana Facilities Licensing Act (MMFLA; 2016)
 - Allows for commercial supply chain & testing of medical
 - Cities must act to opt in – GR did so in July 2018
- Michigan Regulation and Taxation of Marijuana Act (MRTMA; 2018)
 - Legalizes adult possession & use of recreational
 - Cities must act to **opt out** by November 2019
 - GR City Commission is discussing now

MMMA (Personal Medical)



Michigan Medical Marijuana Act

- Passed by voters in November 2008
- Allows for patients and caregivers
- Patients must be registered cardholders in program
- Patients may possess up to 12 plants and 2.5 oz.
- Caregivers may serve up to 5 patients (12 plants/patient)
- 1 licensed caregiver in Grand Rapids (confidential)
- ~280,000 cardholders in Michigan (10,654 Kent County)
- Cities may not regulate in general



MMFLA (Commercial Medical)

Medical Marijuana Facilities Licensing Act

- Passed by legislature in December 2016
- Allows for up to five license types:
 - Grower Grows plants
 - Processor May process plants into products
 - Provisioning Center May sell plant or processed products to cardholders
 - Secure Transporter Transports plants from grower/processor or prov. ctr.
 - Safety Compliance Facility Tests plants and/or processed products
- Grand Rapids opted in on July 24, 2018

MRTMA (Personal/Commercial Recreational)

Michigan Regulation and Taxation of Marihuana Act

- Passed by voters in November 2018
- Allows for adult possession, use, and home grow
- Up to 2.5 ounces on person (15g concentrate), 10 ounces in residence per person (locked in safe), home grow of 12 plants per person
- Does not allow private sale, DUI, transfer of more than 2.5 oz.
- Six license types: new/different are “microbusinesses” and “retailers”
- Grand Rapids will opt in over next couple of months

MRTMA (Personal/Commercial Recreational)

MRA Administrative Rules

- Released in July 2019
- Allows additional license types:
 - Excess grower
 - Designated consumption establishment
 - Temporary marijuana event
 - Marijuana event organizer

MRTMA Considerations

Until December 6, 2021:

- *Class A Grower & Microbusiness Licenses:*
Only issued to Michigan Residents
(at the time of license application submittal)
- *Class B & C Grower, Processor, Retailer, Secure Transporter:*
Only issued to Medical Marijuana licensees

State requirements for Recreational licenses:

- Minimum capitalization requirements removed.
- All have \$6,000 state application fee.
- Varying initial licensing fees (\$4,000 - \$40,000).
- Sliding scale of renewal fees, proportional to volume in comparison to others.

Marijuana in Grand Rapids Ordinances

MMMA

- 2008 added home occupation, 2018 removed

MMFLA

- Opted in July 24, 2018, amended December 18, 2018
- 5 license types allowed, no cap; separation distances

1.	Provisioning center	Commercial zones	PC/SLU
2.	Grower	Industrial zones	PC/SLU
3.	Processor	Comm./Ind. zones	PC/SLU
4.	Safety Compliance Facility	Comm./Ind. zones	Staff
5.	Secure Transporter	Industrial zones	Staff

Marijuana in Grand Rapids Ordinances

MMFLA, continued

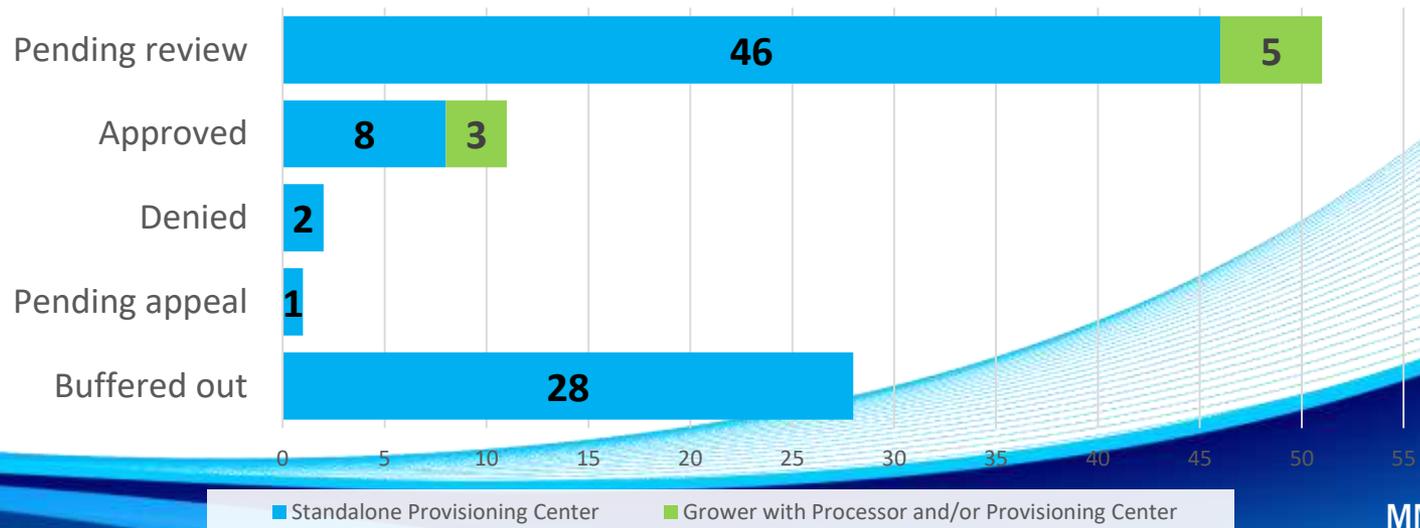
- Separation distance requirements limit to ~1,200 parcels



Marijuana in Grand Rapids Ordinances

MMFLA, continued

- Began accepting applications March 2019 (89 received)
- Draw April 2019 to set queue (80 in draw)
- First applications reviewed May 2019; approved 11 (3 more 9/12)
- Have received 14-15 after draw



Marijuana in Grand Rapids Ordinances

Michigan Regulation & Taxation of Marijuana Act (MRTMA)

- Class A, B, C Grower
- Processor
- Retailer (equivalent to Provisioning Center)
- Safety Compliance Facility
- Secure Transporter
- Microbusiness (<150 plants, processor, retailer)

Marijuana Regulatory Agency (MRA) Administrative Rules

- Excess Grower (>13,000 plants)
- Designated Consumption Establishment
- Temporary Marijuana Events
- Marijuana Event Organizer

Comparison of License Types

		MMFLA (Med)	MRTMA (Rec)	MRA (Admin Rules)
Growers	Class A	500 plants	100 plants	
	Class B	1,000 plants	500 plants	
	Class C	1,500 plants	2,000 plants	
	Excess		>13,000 plants	
	Microbusiness		150 plants + processor, retail	
	Processor	Processing into other products		
Storefronts	Provisioning Center	Retail sale		
	Retailer		Retail sale	
	Designated Consumption			On-site consumption
Events	Temp. Marijuana Event			On-site sale & consumption
	Marijuana Event Organizer			Host events
	Safety Compliance Lab	Testing for safety, potency, homogeneity		
	Secure Transporter	Transport between grower, processor, point of retail sale		

Grand Rapids Licensing Ordinance

- The State of Michigan will begin accepting recreational marijuana license applications on November 1, 2019.
- If a municipality does not have an ordinance in place at that time, it is automatically **opted in** to recreational marijuana uses.
- We are introducing a **licensing ordinance**.
- Represents an action to **opt in** for recreational marijuana, and must be in effect by November 1, 2019.
- Allows/requires local license for certain state license types.
- Other ordinance requirements.

Grand Rapids Licensing Ordinance

7.367 Environmental Sustainability

- (1) All marijuana uses required to report energy usage – 2030 District
- (2) Growers required to:
 - (a) Create environmental sustainability plan
 - (b) High-efficiency lighting for 50% of plant canopy
 - (c) Whole building energy audit

7.368 Conduct of Business

- (9) Compliance with Universal Design Standards

7.370 License Denial, Suspension or Revocation

- (1) Provides reasons for denial, suspension, revocation, nonrenewal
- (3) Allows for a hearing to appeal a denial

Grand Rapids Licensing Ordinance

- Acceptance of recreational license applications April 20, 2020.
- Zoning approval for medical will act as temporary license to permit operation before April 20, 2020.
- This allows time for research, public input, and to develop and adopt recreational Zoning Ordinance amendments.



Summary / Q&A

MMMA/Personal Medical

- City doesn't regulate

MMFLA/Commercial Medical

- City regulates and has approved several facilities

MRTMA & MRA/Recreational

- City will opt in, in some form
- City Commission will consider licensing ordinance 9/24/2019
- Likely accept applications April 2020

Thank you!



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Thank you!

